

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
MAG REGIONAL COUNCIL EXECUTIVE COMMITTEE

April 20, 2015
MAG Offices, Ironwood Room
302 N. 1st Avenue, Phoenix, Arizona

MEMBERS ATTENDING

Mayor Michael LeVault, Youngtown, Chair
Mayor W.J. “Jim” Lane, Scottsdale, Vice Chair
*Mayor Greg Stanton, Phoenix, Treasurer

#Mayor Gail Barney, Queen Creek
Mayor Jackie Meck, Buckeye
Mayor Mark Mitchell, Tempe
Mayor Lana Mook, El Mirage

* Not present

Participated by video or telephone conference call

1. Call to Order

The Executive Committee meeting was called to order by Chair LeVault at 12:03 p.m. Mayor Barney and Mayor Meck participated by teleconference.

Chair LeVault announced additional documents were at each member’s place for agenda item #7 and #11.

2. Call to the Audience

Chair LeVault stated that, according to the MAG public comment process, members of the audience who wish to speak are requested to fill out the public comment cards. He stated that there is a three-minute time limit. Public comment is provided at the beginning of the meeting for items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Chair LeVault noted that no public comment cards had been received.

3. Approval of Executive Committee Consent Agenda

Chair LeVault noted that prior to action on the consent agenda, members of the audience are provided an opportunity to comment on consent items that are being presented for action. Following the comment period, committee members may request that an item be removed from the consent agenda.

Chair LeVault requested a motion to approve the consent agenda. Mayor Lane moved to approve consent items #3A-#3G. Mayor Mook seconded the motion and the motion carried

unanimously.

3A. Approval of the March 16, 2015 Executive Committee Meeting Minutes

The Regional Council Executive Committee, by consent, approved the March 16, 2015 Executive Committee meeting minutes.

3B. Amendment to the FY 2014 Travel Survey - Data Application On-Call

The Regional Council Executive Committee, by consent, approved to amend the FY 2015 MAG Unified Planning Work Program and Annual Budget and the On-Call Consulting Services for Travel Survey - Data Application project budget to conduct update and development of the MAG dynamic traffic simulations TransModeler model and purchase of the Transearch data for a total amount not to exceed \$260,000. Also, to approve the selection of Caliper Corporation to perform the MAG dynamic traffic simulation TransModeler model update and development for an amount not to exceed \$200,000 and to purchase Transearch freight data set from IHS Inc. for an amount not to exceed \$60,000.

The fiscal year (FY) 2014 MAG Unified Planning Work Program and Annual Budget, approved by the MAG Regional Council in May 2013, includes \$4,500,000 for On-Call Consulting Services for Travel Survey - Data Application. The on-call consultant services, which include substantial household and establishment travel surveys, are being used to collect transportation data in accordance with modeling requirements, develop MAG transportation models and update the regional transportation forecast. Progress made on the development of the Interstate 10/Interstate 17 Corridor Master Plan identified a need to update and further develop the MAG TransModeler dynamic traffic simulation model with a total budget not to exceed \$200,000. Staff is recommending that Caliper Corporation be selected to update and enhance the MAG dynamic traffic simulation TransModeler model due to the unique expertise and proprietary nature of the software. The other task is a joint purchase by MAG and ADOT of the TranSearch data set with the total purchase budget for the MAG portion of the data not to exceed \$60,000. The data will be used for MAG freight model development and for the freight planning studies. Transearch data is available only from IHS Inc. The data provides information that is not readily available from other data sources. Staff is recommending to conduct a joint purchase of the Transearch data with ADOT from IHS Inc. On April 8, 2015, MAG Management Committee recommended approval to amend the FY 2015 MAG Unified Planning Work Program and Annual Budget.

3C. Amendment to the FY 2015 MAG Unified Planning Work Program and Annual Budget to Accept a \$200,000 Grant from the Federal Highway Administration for Integrated Corridor Management Deployment Planning

The Regional Council Executive Committee, by consent, approved an amendment to the FY 2015 MAG Unified Planning Work Program and Annual Budget to add the \$200,000 grant from the Federal Highway Administration for Integrated Corridor Management Deployment

Planning, and to use this funding to amend the on-call project budget for on-call consultant projects for executing tasks described in the grant proposal submitted by MAG.

The Federal Highway Administration recently awarded a \$200,000 planning grant based on a proposal submitted by MAG. This grant will be applied to carry out essential tasks for developing a plan to implement Integrated Corridor Management (ICM) strategies that would result in efficient coordination of freeway and arterial traffic operations in the I-10 corridor. The Phoenix metropolitan region is one of 13 sites across the nation that have been selected to apply the knowledge gained through two national ICM demonstration projects carried out in San Diego, California, and Dallas, Texas. The grant will be applied specifically for executing state-of-the-practice planning tasks to develop effective ICM strategies for the I-10 corridor through the Phoenix metropolitan region. These tasks will be carried out through on-call consulting task orders. Key regional partners participating in this effort and responsible for implementing the resulting plan are: the Arizona Department of Transportation, the City of Chandler, the Department of Public Safety, Maricopa County, the City of Phoenix, the City of Tempe and Valley Metro. An amendment to the FY 2015 MAG Unified Planning Work Program and Annual Budget to add this funding is requested.

3D. Amendment to the FY 2015 MAG Unified Planning Work Program to Amend the Contract for the Southeast Valley Transit System Study

The Regional Council Executive Committee, by consent, approved an amendment to the FY 2015 MAG Unified Planning Work Program to amend the contract for the Southeast Valley Transit System Study with URS to include additional work and to increase the contract with contingency funding by \$15,766.

In May 2013, the Regional Council approved the MAG FY 2014 Unified Planning Work Program and Annual Budget, which included \$374,882.80 for the Southeast Valley Transit System Study. In October 2013, URS was selected as the consultant for the project. The intent of the study is to analyze transit services and ridership demand in transit-established and transit-aspiring communities within the Southeast Valley. A key outcome is to identify short-, mid-, and long-term recommendations to promote an integrated, demand driven, and performance-based transit system that connects the communities of the Southeast Valley and provides links to the existing and planned regional transit network. The member agency Southeast Valley Project Advisory Committee requested additional hours of work estimated to require approximately \$15,766. It is requested that the consultant contract be increased by \$15,766, from \$374,882.80 to \$390,648.80, to accommodate the additional work required to complete the Southeast Valley Transit System Study. The project is scheduled to be completed by June 2015. On April 8, 2015, MAG Management Committee recommended approval of the amendment to the FY 2015 MAG Unified Planning Work Program.

3E. Appointment of the MAG Economic Development Committee Arizona Department of Transportation Member Position

The Regional Council Executive Committee, by consent, recommended to approve the appointment of Sintra Hoffman, ADOT Assistant Division Director/Public Affairs, as the Arizona Department of Transportation representative on the MAG Economic Development Committee.

On October 27, 2010, the MAG Regional Council approved the composition of the MAG Economic Development Committee (EDC). The composition includes eighteen MAG member agency positions that have one-year terms with possible reappointment by recommendation of the Executive Committee and approval of the MAG Regional Council. On April 3, 2015, a letter was received from the Arizona Department of Transportation (ADOT) Director recommending Sintra Hoffman serve as the ADOT representative on the EDC. The Executive Committee is requesting to recommend Sintra Hoffman as the ADOT EDC member. It is anticipated that the Regional Council will approve this recommendation at its April 22, 2015 meeting.

3F. Amendment to the FY 2015 MAG Unified Planning Work Program and Annual Budget to Accept Additional Funding to Develop an Early Literacy Mapping Pilot Project with Read on Arizona

The Regional Council Executive Committee, by consent, approved to accept \$10,000 grant and approval of an amendment to the MAG FY 2015 Unified Planning Work Program and Annual Budget (UPWP) to support the completion of an early literacy map in partnership with Read On Arizona.

The FY 2015 MAG Unified Planning Work Program and Annual Budget (UPWP) was approved on May 28, 2014. On March 10, 2014, a \$40,010 grant from Virginia G. Piper Charitable Trust was awarded to Regional Community Partners to develop an early literacy map. On March 17, 2014, funding was approved to support the development of an early literacy map. On April 8, 2015, Read on Arizona approved an additional \$10,000 to complete additional work on this phase of the project. The grant will support development of an interactive map with corresponding charts, tables, and training materials statewide that includes Census demographic data, school data, and indicators identified and provided by Read on Arizona. This item is to accept this \$10,000 grant and approval of an amendment to the MAG FY 2015 Unified Planning Work Program and Annual Budget (UPWP) to support the completion of an early literacy map in partnership with Read On Arizona.

3G. Appointment of the MAG Economic Development Committee Transportation Industry Representative

The Regional Council Executive Committee, by consent, recommended to approve the appointment of Tony Bradley, President and Chief Executive Officer, of Arizona Trucking

Association, as the transportation industry representative on the MAG Economic Development Committee.

On October 27, 2010, the MAG Regional Council approved the composition of the MAG Economic Development Committee (EDC). The composition includes twelve business member positions that have two-year terms with possible reappointment by recommendation of the Executive Committee and Regional Council. In September 2014, the EDC business member positions were approved by the Executive Committee and Regional Council, except for one transportation industry representative seat that remained vacant. On April 9, 2015, a letter of interest for the EDC transportation industry seat was received from Tony Bradley, President and Chief Executive Officer of the Arizona Trucking Association. The Executive Committee is requested to recommend Tony Bradley as the second transportation industry EDC business member. It is anticipated that the Regional Council will approve this recommendation at its April 22, 2015 meeting.

4. Discussion of the Economic Development Committee Composition

Dennis Smith, MAG Executive Director, stated that the Economic Development Committee (EDC) was formed in October 2010 with 12 member agency elected official members and 11 business members. On August 21, 2013, the composition of the EDC was updated and approved by the MAG Regional Council to include 18 member agency elected officials and 12 business members. He noted that EDC members include top leaders from agencies and industries that work to foster economic development opportunities in the MAG region and in Arizona.

Mr. Smith explained that the outreach of the EDC has grown in several areas, such as working with the Maricopa County Community Colleges and the Joint Technical Education Districts (JTEDs) to provide information and data on the workforce in our region. He added that MAG has worked very closely with the Governor's office to ensure alignment with the committee's efforts and the State's efforts. Mr. Smith stated that staff has been working with Kim Sabow, Director of International Exporting and Strategic Initiatives at the Governor's Office, and suggested that a representative from the Governor's office also sit on the EDC committee. He noted this would be the only venue in the state to have all the representatives at one place. Mr. Smith explained that this would have to go to the MAG Regional Council for approval if this committee recommended expanding the EDC memberships to include a representative from MCCC, the JTEDs and a representative from the Governor's office.

Chair LeVault stated that he thinks this is a great idea considering there was a lot of discussion regarding career technical education and jobs in these fields at the last Joint Planning Advisory Council meeting with representatives from mining and manufacturing industries. Chair LeVault also stated that he supports the idea of having a representative from the Governor's office sitting on the EDC committee.

Mayor Mitchell stated that whatever we do to show the Governor that the cities and towns are working together towards economic development is a positive thing. He added that he would welcome someone from the Governor's office as a member of the EDC.

Mayor Lane stated that we are looking for collaborative efforts and seeing economic development is a top priority at the Governor's office, having someone from his office at the table could be beneficial. He noted that he agreed with Mr. Smith that this would be one forum where everyone has a seat at the table. Mayor Lane asked if Ms. Sabow requested to be on the EDC committee. Mr. Smith stated that she did not request to be on the committee, but has been helping staff on the labor force information. He added that a letter would be sent to the Governor and he would make the appointment. Mayor Lane added that Ms. Sabow's appointment by the Governor is a clear and strong indication on the level of importance that the Governor puts on international economic development.

Mayor Mook added that she agrees with the comments and stated it is important to bring the community colleges, West-MEC and other JTEDs to the EDC committee, especially since GPEC has found that our region is significantly lacking employees in these areas. She also agreed with having someone from the Governor's office on the committee.

Mayor Meck stated that West-MEC is currently expanding and this has to do with the Palo Verde Nuclear Power. He explained that many of the employees are older and will be retiring and they are having to bring about 600 people from out of state to work. These employees get flown here and live here for free, work for one month during the three unit outages. Mayor Meck stated that they are pushing to get juniors and seniors from the high schools to enroll in West-MEC because they really need the labor force. He agreed that it would be beneficial if someone from the Governor's office and representatives from the schools were on the EDC.

Mr. Smith stated MAG has been very careful in making sure there is a balance between the East Valley, West Valley and Central City on the EDC committee, so this would need to be taken into consideration when making recommendations. He added that a letter would be sent to the Chancellor of MCCC and he would choose who would sit on the committee. In regards to the recommendation of the JTEDs, it would have to be decided on whether we will have a seat for each from the East Valley, West Valley, and Central City or would these schools rotate so that different parts of the Valley are get an opportunity to sit on the committee every two years.

Mayor Lane stated that he liked the idea of rotating the JTED members. Mayor Meck added that perhaps a college board member could represent them all. Mr. Smith stated that he thought we could leave it up to the Central Administration of the Community Colleges to appoint who they want. Chair LeVault added that the balance issue is just with the JTEDs and this recommendation would have to go to Regional Council for final approval. Mr. Smith stated staff would send out letters of requests to these organizations if this is approved by Regional Council.

Mayor Meck made a motion to recommended to approve expanding the membership on the EDC committee to add three additional members that would include one representative from the Governor's office, one representative from the Maricopa Community Colleges and one representative, on a two year rotating basis, from the Joint Technical Education Districts. Mayor Lane seconded the motion and the motion carried unanimously.

5. Status Update on the June 30, 2014 Single Audit and Management Letter Comments, MAG's Comprehensive Annual Financial Report and OMB Circular A-133 Reports (i.e., "Single Audit") for the Fiscal Year Ended June 30, 2014

Becky Kimbrough, Fiscal Services Manager, stated that the accounting firm of CliftonLarsonAllen, completed the audit of MAG's Comprehensive Annual Financial Report (CAFR) and Single Audit for the fiscal year ended June 30, 2014. An unmodified audit opinion was issued on March 18, 2015 on the financial statements of governmental activities, each major fund, and the aggregate remaining fund information. She added that the independent auditors' report on compliance with the requirements applicable to major federal award programs, expressed an unmodified opinion for the Single Audit. The Single Audit report indicated a material weakness in MAG's ability to reconcile accounts payable in a timely manner due to the new accounting system. Ms. Kimbrough reported that a deficiency was noted due to a change in federal compliance requiring DUNS numbers from pass-through sub recipients. Staff is working with the consultant on the accounts payable reporting and have already implemented the collection of DUNS numbers.

Ms. Kimbrough stated that the CAFR financial statements and related footnotes were prepared in accordance with the Government Finance Officers Association's (GFOA) standards for the Certificate of Achievement for Excellence in Financial Reporting awards program. She noted that MAG submitted the June 30, 2014 CAFR to the GFOA awards program for review in March. If MAG is awarded the certificate for the June 30, 2014 CAFR, this would be MAG's 17th consecutive award. She noted that this item was on the January 8, 2014 Management Committee agenda for recommendation to accept the audit opinion issued.

Mayor Mitchell moved to recommend acceptance of the audit opinion issued on the MAG Comprehensive Annual Financial Report and Single Audit Report for the year ended June 30, 2014. Mayor Mook seconded the motion and the motion carried unanimously.

6. Discussion of the Development of the FY 206 MAG Unified Planning Work Program and Annual Budget

Becky Kimbrough, MAG Fiscal Services Manager, reported that the draft FY 2016 MAG Unified Planning Work Program and Annual Budget is in the process of being updated. She reported that the FY 2016 proposed budget is currently estimated at approximately \$2.2 million under the FY 2015 budgeted amount. As she discussed last month, the proposed budget is lower due to lower funding projections for carryforward project work into FY 2016 and a lower estimate for proposed new projects. Ms. Kimbrough added that since March,

MAG received a new federal highway funding award of \$200,000 for Integrated Corridor Management planning work. Staff is also proposing a new on-call project for "Cost Risk Analysis for the MAG Regional Freeway and Highway Program". She explained that this project is added to assist in identifying contingent funding from current Regional Freeway and Highway Program projects that can be utilized elsewhere in the program. She added that a revised "Programs In Brief" was at each member's place reflecting the on-call project for "Cost Risk Analysis for the MAG Regional Freeway and Highway Program" for \$300,000.

Ms. Kimbrough stated staff is proposing a three percent increase be included in the budget for possible salary increases. She explained that MAG's evaluations and subsequent salary increases are performance based and the annual performance evaluation is the only potential salary increase in place for MAG staff. MAG has an annual performance review of its employees each June. Ms. Kimbrough added that MAG is proposing the addition of two staff members for FY 2016. The Assistant Director position was discussed by the Executive Committee due to the size and responsibility of the MAG organization. The other recommended position is for a Management Analyst I to assist with the MAG Economic Development program and also assist with Human Resources at MAG. She noted that currently MAG has one staff supporting all of the Human Resource needs.

Ms. Kimbrough stated that the Intermodal Planning Group meeting was held at the MAG offices on Tuesday, March 17th. This is the budget review conducted by the Federal Highway Administration and the Federal Transit Administration on MAG's proposed budget and compliance. MAG partners that attended this meeting included the Arizona Department of Transportation, City of Phoenix, RPTA and Valley METRO. She noted that staff received very nice comments on the MAG proposed budget from the Federal agencies and partners. Ms. Kimbrough stated that during this meeting, MAG was told that they are very thorough, and were proactive in meeting the MAP-21 federal guidelines through continuing work in economic development. ADOT mentioned that a partnership with MAG and the resources that have been developed by MAG for planning such as the AZ Smart tool kit could be very useful beyond just the borders of the Maricopa region, particularly in the development of the Statewide Long Range Transportation Plan. She noted that final approval of the Draft MAG Unified Planning Work Program and Annual Budget is scheduled for the May meetings of the Management Committee, Executive Committee and Regional Council and that the final budget is subject to change through the request for approval of our proposed budget in May.

Chair LeVault thanked Ms. Kimbrough for the update and asked if there were any comments or questions from the committee. There were none.

7. Legislative Update

Mayor Lane moved that the Executive Committee go into Executive Session regarding agenda items #7, #8 and #11. Mayor Meck seconded the motion and the motion carried unanimously. The meeting went into Executive Session at 12:42 p.m.

An update will be provided on legislative issues of interest, including HB 2617 and the possible ramifications to the diversion of Proposition 400 sales tax funds for transportation to the Arizona Department of Revenue. Provisions in HB 2617 would direct per year, \$2,520,207 from MAG and \$498,892 from the Pima Association of Governments.

8. Executive Session to Discuss Records and Confidential Information

Mayor Lane moved that the Executive Committee go into Executive Session regarding agenda item #7, #8, and #11. Mayor Meck seconded the motion and the motion carried unanimously. The meeting went into Executive Session at 12:42 p.m.

The next item was taken out of order.

11. Possible Action on the Legislative Update

Mayor Lane moved that the Executive Committee go into Executive Session regarding agenda item #7, #8, and #11. Mayor Meck seconded the motion and the motion carried unanimously. The meeting went into Executive Session at 12:42 p.m.

The Executive Committee reconvened regular session at 1:36 p.m.

9. Request for Future Agenda Items

Chair LeVault asked if there were any requests for future agenda items. There were none.

10. Comments from the Committee

Chair LeVault asked if there were any comments from the committee. There were none.

Adjournment

There being no further business, the Executive Committee adjourned at 1:37 p.m.

Chair

Secretary